ON-FILE NSC RELEASE

TOP SECRET SENSITIVE HOUSE

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FOPSECRET SENSITIVE 201000Z JUL 72

FROM: ANBASSADOK BUNKER SAIGON 0114 IMMEDIATE

THE WHITE HOUSE, EYES ONLY FOR HENRY A. KISSINGER

MORI/CDF PG 1

REFIEWHS 2087

T GAVE THIEU SUMMARY OF YOUR JULY 19 MEETING CONTAINED REFIEL AND INFORMED HIM THAT I WOULD BE IN TOUCH WITH HIM WHEN I RECEIVED A FULLER REPORT. HE EXPRESSED APPRECIATION FOR IN-FORMATION AND SAID THAT IT WAS ABOUT WHAT HE HAD EXPECTED FROM IKE OTHER SIDE.

HE WENT ON TO SPECILATE THAT IN VIEW OF THE CHANGED SITUATION WRICH HANDI NOW RACED, IT IS BEING FORCED TO DEVELOP A NEW POLICY FOR THE FUTURE, IS IN THE PROCESS OF DOING SO, BUT HAS NOT YET REACHED A CONCLUSION AS TO WHAT IT SHOULD BE. THEY HAVE BEEN DISAPPOINTED AND EMBARRASSED BY THE FACT THAT THE MILITARY SITUATION ON THE GROUND HAS NOT WORKED OUT AS THEY HAD EXPECTED. THEY DO NOT WANT TO CALL OFF THE TALKS, YET KNOW THAT THEIR SEVEN POINTS ARE NO LONGER AN ACCEPTABLE SOLUTION. THUS THE POLITBURO IS IN THE PROCESS OF CONSIDERING WHAT COURSE TO FOLLOW AND DE-BATING THE PROBLEM AMONG THEMSELVES. IN THIEU'S VIEW, THIS IS CONFIRMED BY THE CITHAT CAPTURED DOCUMENTS AND PRISONER INTERROGATIONS REFLECT THE FACT THAT LOVER ECHELON CADRES ARE NOT RECEIVING CONSISTENT INSTRUCTIONS, E.G., THE THREE POINTS WHICH INCLUDE DESTRUCTION OF ARVN, IMPOSITION OF A COALITION GOVERN-MENT, AND CONTINUATION OF THE WAR UNTIL AFTER OUR ELECTIONS ON THE ONE HAND; ON THE OTHER, INSTRUCTIONS FOR PREPARATION FOR A CEASE-FIRE: WHILE OTHER DOCUMENTS DO NOT INSIST ON THIEU'S WITH-DRAVAL.

3. IN THIEU'S VIEW, THE SEVEN POINTS WERE A CAREFULLY FOR-MULATED PROPOSAL AGREED TO UNANIMOUSLY BY THE POLITBURG. NOW THEY ARE FACED WITH A NEW SITUATION AND HAVE NOT YET REACHED CONCLUSIONS ON HOW TO DEAL WITH IT. IN THE MEANTIME, HE BELIEVES THEY WILL ADOPT A WAITING POSTURE. THEY WILL WANT TO SEE WHAT SUCCESS THEY MAY HAVE IN A NEW OFFENSIVE, WHICH HE THINKS THE ENEMY MAY INITIATE ABOUT MID-AUGUST AND ARE IN THE PROCESS OF MOVING TROOPS TO PREPARE FOR IT. - THEY ALSO WANT TO APPRAISE THE PROBABLE OUTCOME OF OUR ELECTIONS. IN OTHER WORDS, HE THINKS IT WILL BE ANOTHER ONE OR TWO MONTHS BEFORE WE CAN EXPECT THEM TO COME UP WITH CONCRETE PROPOSALS.

A. WARN REGARDS!